



Unilever

FY 2023 Results

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8 February 2024





Safe harbour statement

This document may contain forward-looking statements within the meaning of the securities laws of certain jurisdictions, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words and terminology such as 'will', 'aim', 'expects', 'anticipates', 'intends', 'looks', 'believes', 'vision', 'will continue', 'should', 'would be', 'seeks', or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. Forward-looking statements also include, but are not limited to, statements and information regarding the Unilever Group's (the 'Group') emissions reduction targets and other climate change related matters (including actions, potential impacts and risks associated therewith). These forward-looking statements appear in a number of places throughout this document and are based upon the intentions, beliefs, current expectations and assumptions regarding anticipated developments and other factors affecting the Group. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. They are not historical facts, nor are they guarantees of future performance or outcomes.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. In addition, even if the results are consistent with the forward-looking statements contained in this announcement, those results may not be indicative of results in subsequent periods. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are: Unilever's global brands not meeting consumer preferences; Unilever's ability to innovate and remain competitive; Unilever's investment choices in its portfolio management; the effect of climate change on Unilever's business; Unilever's ability to find sustainable solutions to its plastic packaging; significant changes or deterioration in customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain and distribution; increases or volatility in the cost of raw materials and commodities; the production of safe and high quality products; secure and reliable IT infrastructure; execution of acquisitions, divestitures and business transformation projects; economic, social and political risks and natural disasters; financial risks; failure to meet high and ethical standards; and managing regulatory, tax and legal matters. A number of these risks have increased as a result of the Russia/Ukraine war.

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Further details of potential risks and uncertainties affecting the Group are described in the Group's filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including in the Unilever Annual Report and Accounts 2022 and the Annual Report on Form 20-F 2022.



Unilever

2023 highlights

2023 results & outlook

Growth Action Plan update

Q&A





Making progress, but more to do...

Returned to positive volumes with improved margin, driven by 30 Power Brands

Tightened grip on working capital leading to strong free cash flow

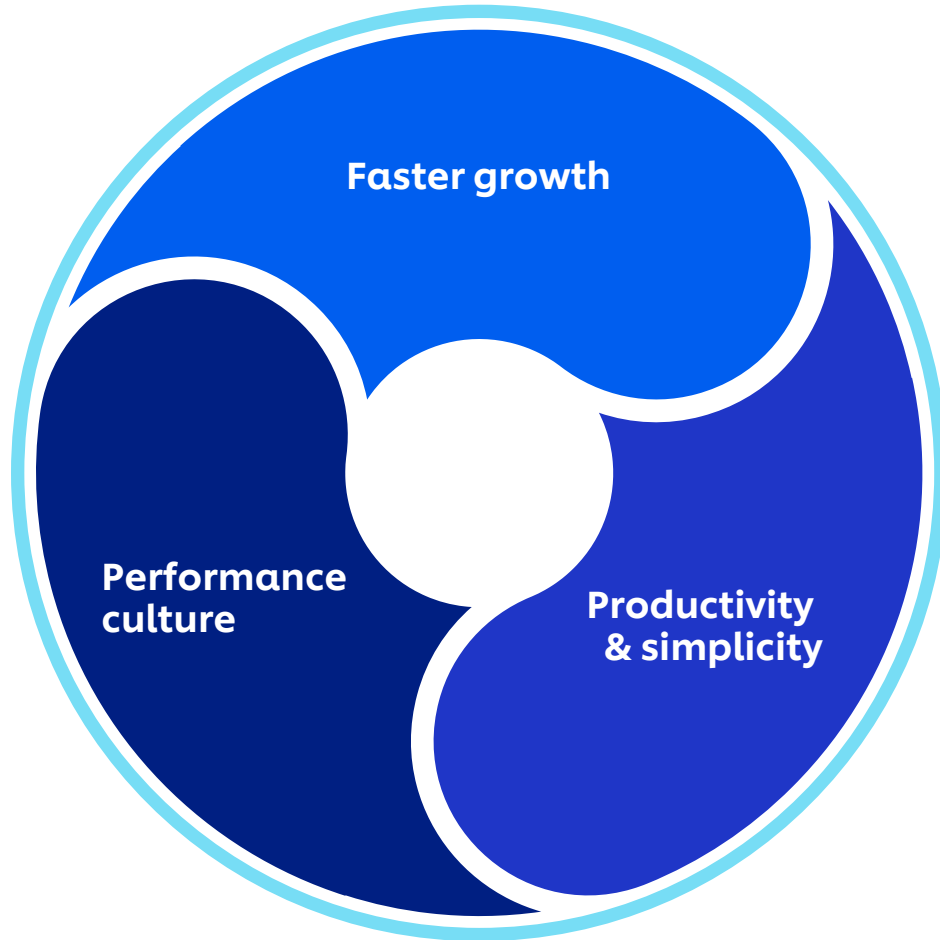
Increased brand and marketing investment, focused on 30 Power Brands

Made significant changes in Ice Cream to address underperformance

Accelerated portfolio transformation

Competitiveness remains disappointing, moving quickly to address it

Growth Action Plan being implemented at pace



Faster growth

1. Focus on 30 Power Brands
2. Drive unmissable brand superiority
3. Scale multi-year innovation
4. Increase brand investment and returns
5. Selectively optimise portfolio

Productivity & simplicity

6. Build back Gross Margin
7. Focus sustainability commitments
8. Drive benefits of category-focused structure

Performance culture

9. Renewed leadership team
10. Drive and reward outperformance



2023 results & outlook

Fernando Fernandez



Volumes improving as price growth slows

Full year 2023

7.0%

USG

0.2%

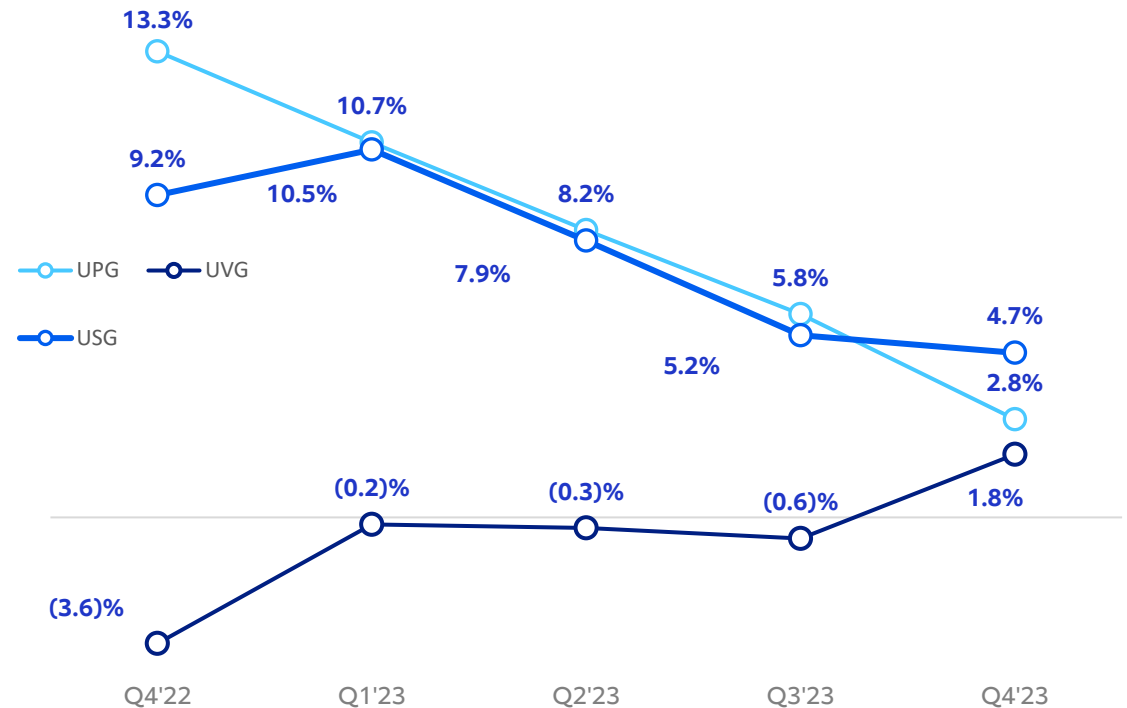
UVG

6.8%

UPG

- Growth across all Business Groups
- Positive volume growth for the year and Q4
- Price growth slowed as inflation eased
- 30 Power Brands accretive to growth, up 8.6% with 1.6% volume growth for the full year

Price and volume





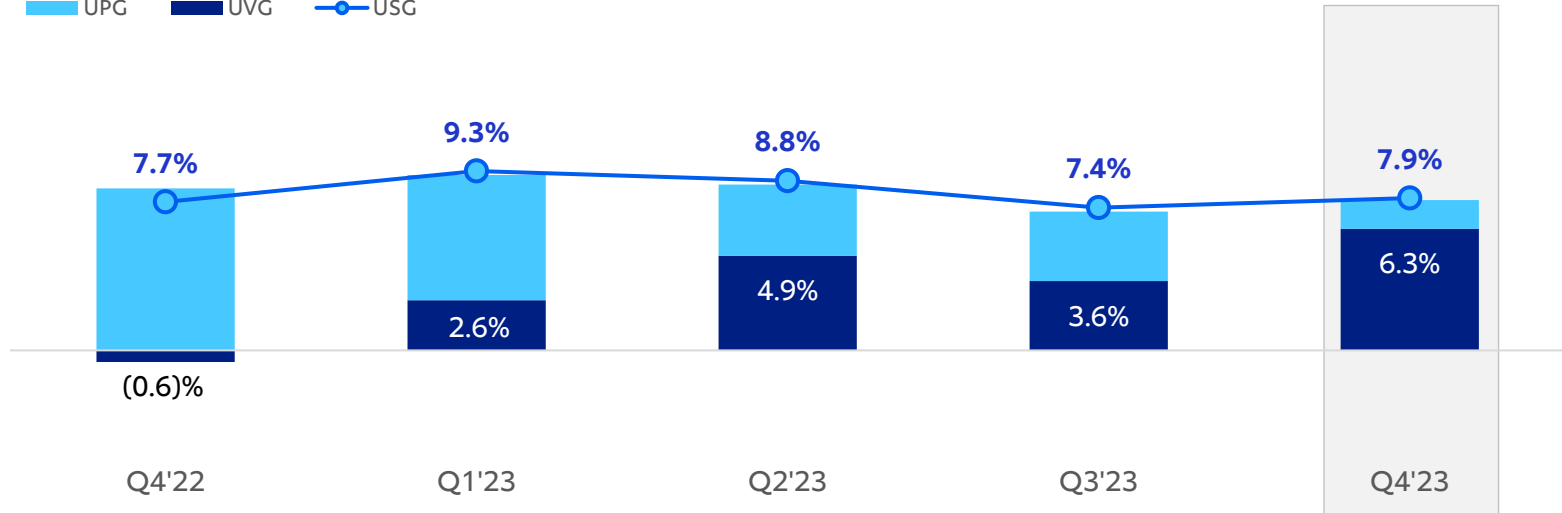
Beauty & Wellbeing

€12.5bn turnover | 18.7% UOM

Strong full year performance with volume-led growth



UPG UVG USG



→ Volume accelerated in Q4

→ Health & Wellbeing and Prestige Beauty double-digit growth continued

→ Strong growth from innovation in Sunsilk and Vaseline





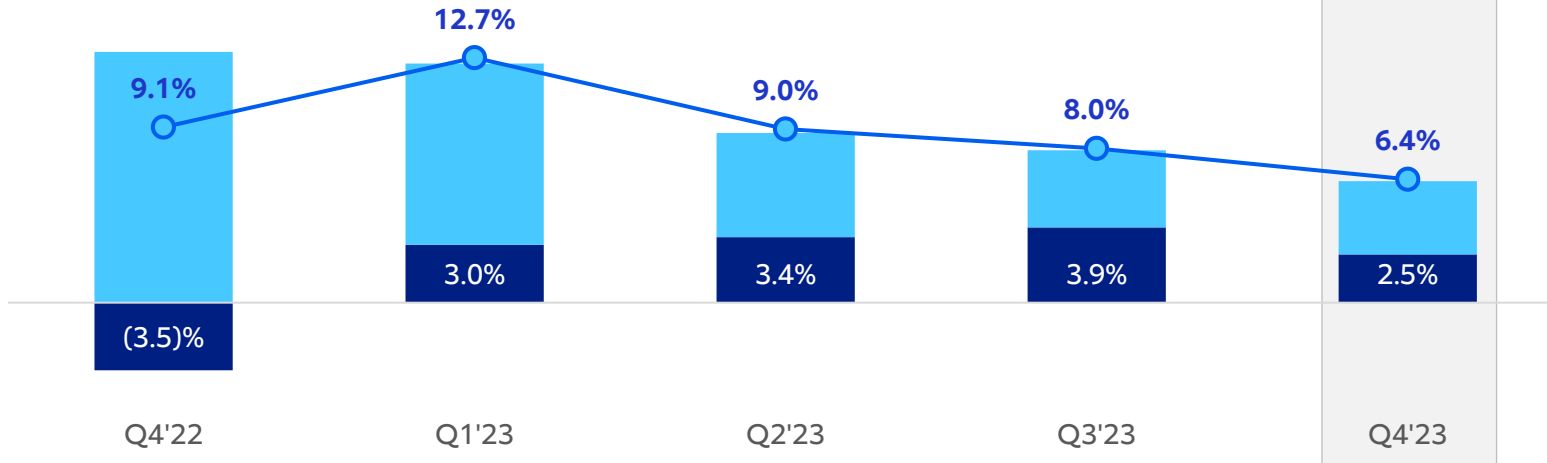
Personal Care

€13.8bn turnover | 20.2% UOM

Strong performance, fuelled by mid-teens growth in Deodorants



UPG UVG USG



→ Fourth consecutive quarter of double-digit Deodorants growth

→ Oral Care consistent mid-single digit growth through the year

→ Skin Cleansing return to volume growth, with Dove Body Wash relaunch in US

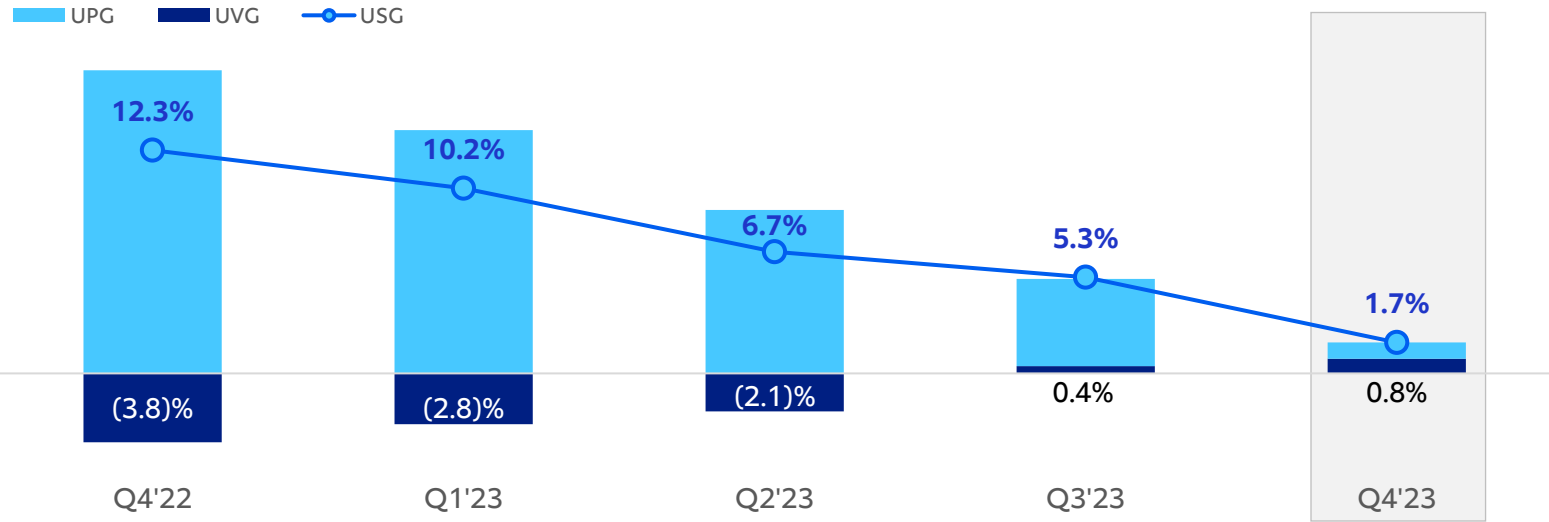




Home Care

€12.2bn turnover | 12.3% UOM

Positive second half volumes, with sharp price growth deceleration



→ Fabric Cleaning negative Q4 pricing reflects commodity deflation, particularly in India

→ Fabric enhancers growth driven by Turkey and Latin America

→ Home & Hygiene good growth, successful Domestos Power Foam launch in Europe





Nutrition

€13.2bn turnover | 18.6% UOM

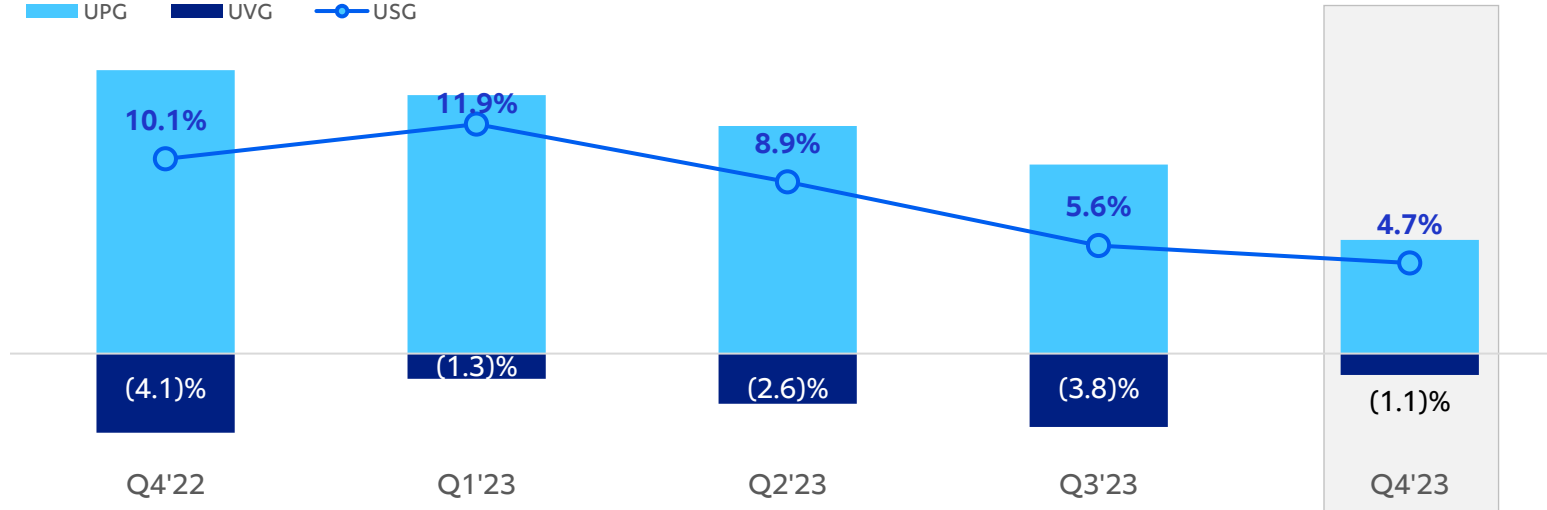
Price-led growth as we responded to higher input costs

7.7% USG

(2.2)% UVG

10.1% UPG

UPG UVG USG



→ Largest brands, Knorr and Hellmann's, with positive Q4 volume growth

→ Double-digit growth in Food Solutions, volumes now above pre-Covid levels

→ Europe remains challenging with negative volumes

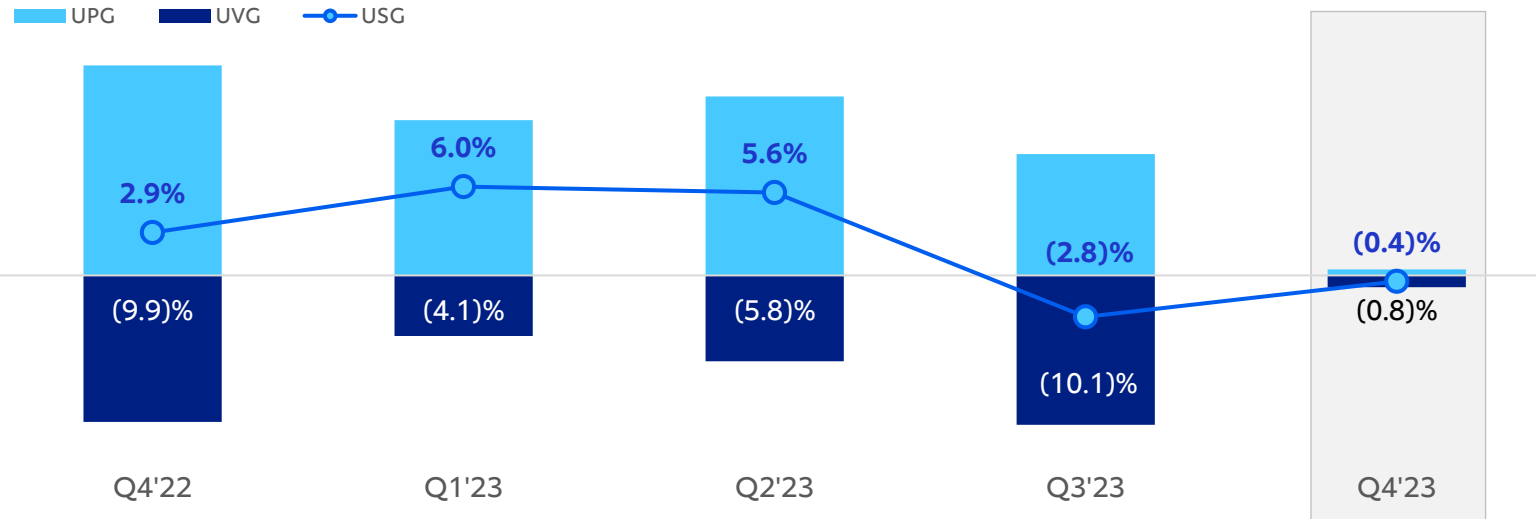




Ice Cream

€7.9bn turnover | 10.8% UOM

Disappointing performance reflecting poor execution and consumer downtrading



→ Stepped up promotions in Q4 supported North America volume growth

→ Out of home was flat in Q4 with strong performance in Latin America

→ New leadership team addressing productivity and competitive intensity





Regional performance

Asia Pacific Africa - €26bn turnover

Q4

Full year

1.9%

Underlying sales growth

0.7%

UVG

1.1%

UPG

6.5%

Underlying sales growth

1.1%

UVG

5.3%

UPG

Europe - €12bn turnover

Q4

Full year

2.5%

Underlying sales growth

(6.3)%

UVG

9.4%

UPG

4.1%

Underlying sales growth

(7.7)%

UVG

12.8%

UPG

North America - €13bn turnover

Q4

Full year

7.0%

Underlying sales growth

6.3%

UVG

0.7%

UPG

5.8%

Underlying sales growth

2.5%

UVG

3.3%

UPG

Latin America - €8bn turnover

Q4

Full year

13.4%

Underlying sales growth

9.1%

UVG

4.0%

UPG

14.9%

Underlying sales growth

4.8%

UVG

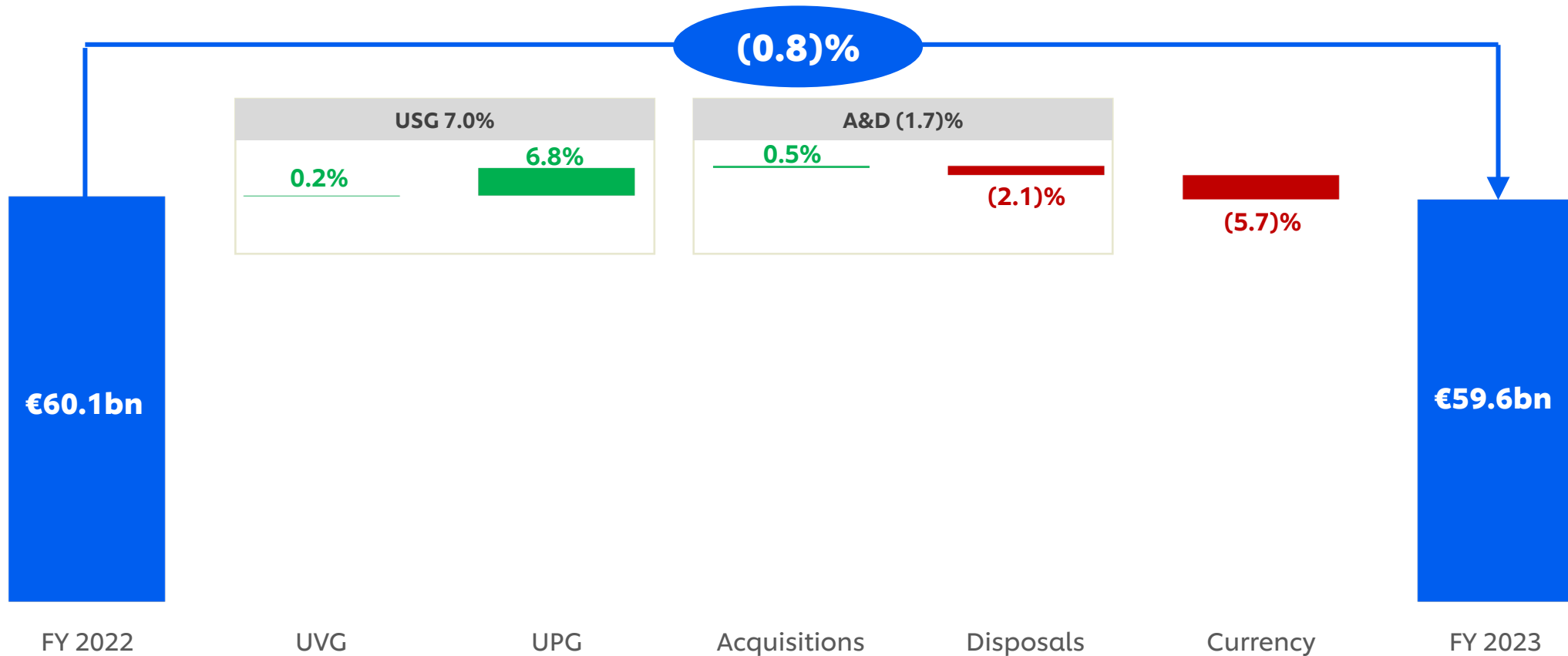
9.6%

UPG



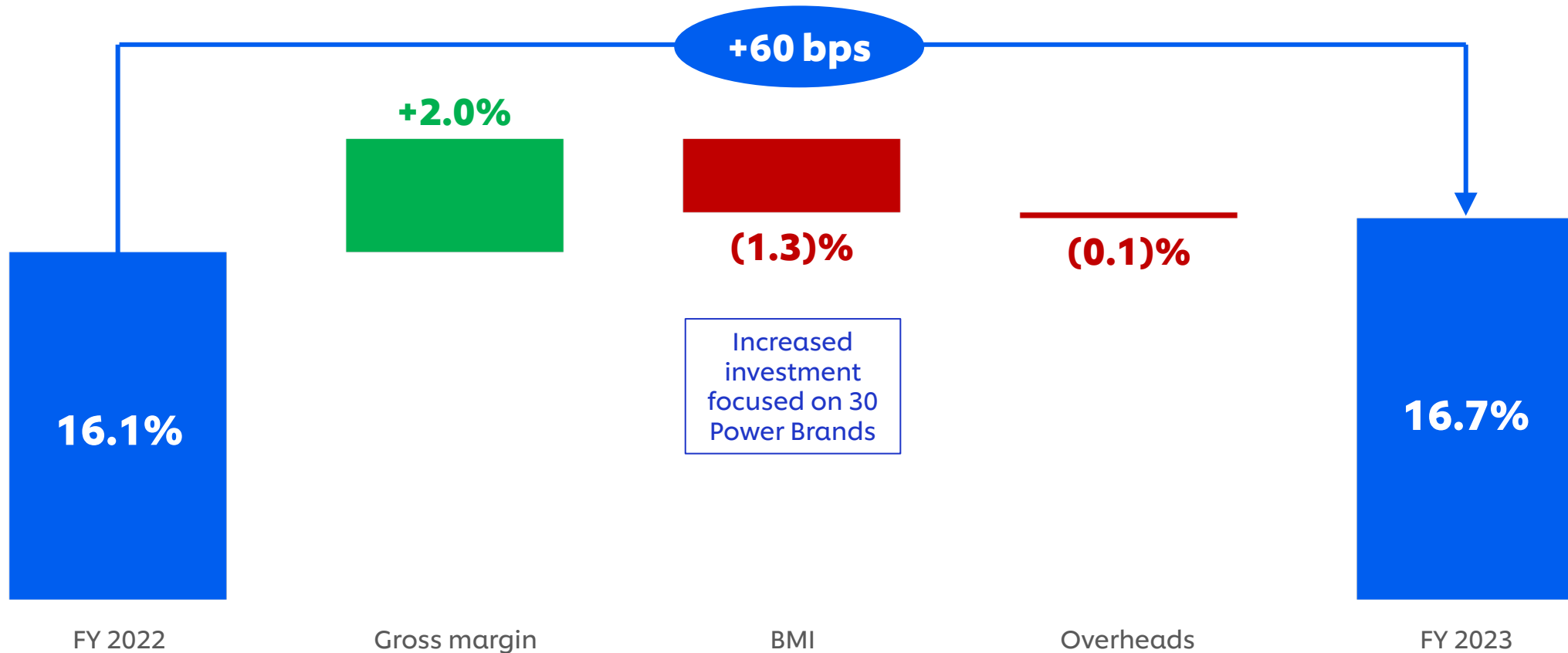
7% underlying sales growth, with adverse currency and net disposals

Turnover

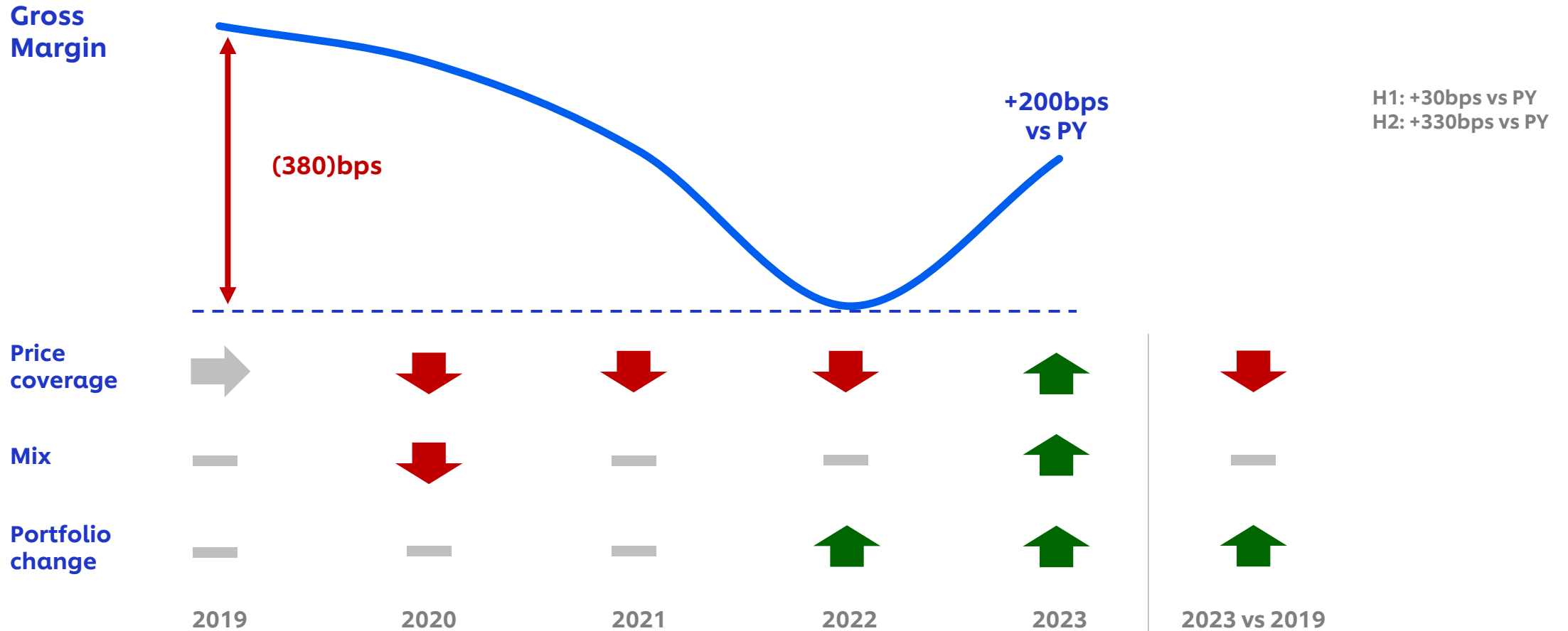


Improved margin with a significant step-up in brand investment in H2

Underlying operating margin



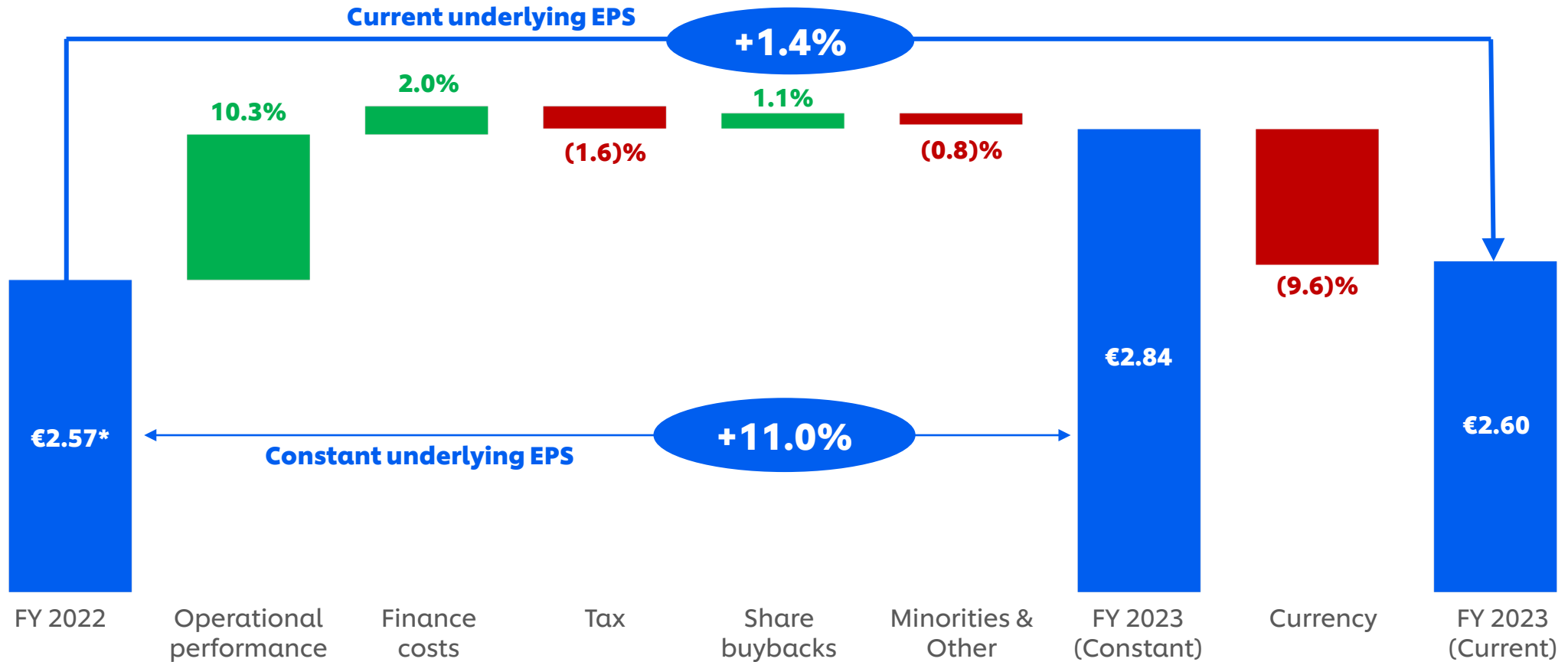
Strong progress on gross margin recovery





Operational performance offset by currency headwinds

Underlying earnings per share



*Constant underlying EPS for FY2022 is €2.56

Strong cash, improving ROIC

Strong cash generation

€7.1 bn

Free cash flow*

+€1.9 bn

vs FY 2022 free cash flow

111%

Cash conversion

Improving ROIC

16.2%

ROIC

+20 bps

vs FY 2022 ROIC

Robust balance sheet

2.1x

Closing net debt / underlying EBITDA

€23.7 bn

Closing net debt

* Including €0.4bn linked to tax refund in India

Investment priorities and capital allocation

Organic growth

+130bps

Increased BMI vs PY as % of turnover

+10bps

Increased R&D spend vs PY as % of turnover

Net productivity

2.9%

Capex as % of turnover

0.8%

Restructuring cost as % of turnover

Shareholder returns

€5.9bn

Capital returned to shareholders in 2023

€4.4bn

Dividends paid

€1.5bn

Share buybacks completed

Reallocating capital into premium segments

Disposals



Acquisitions



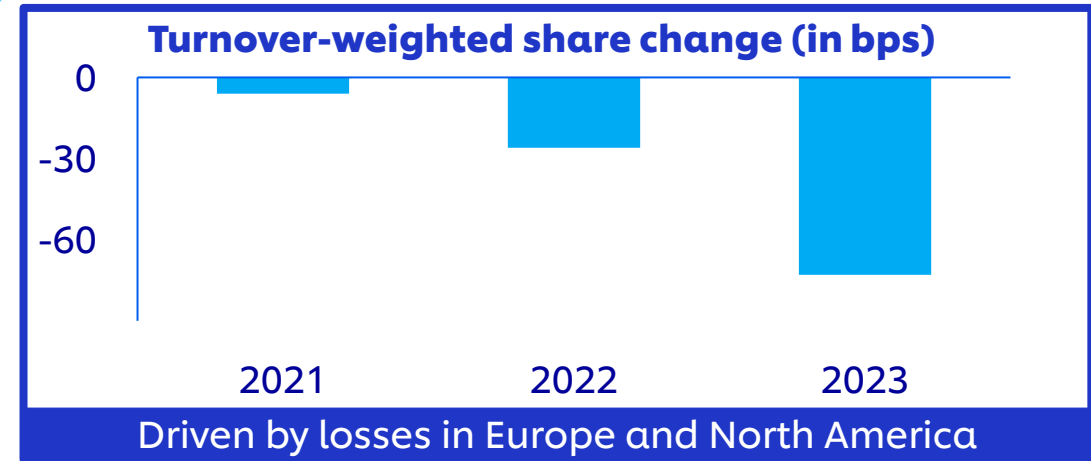
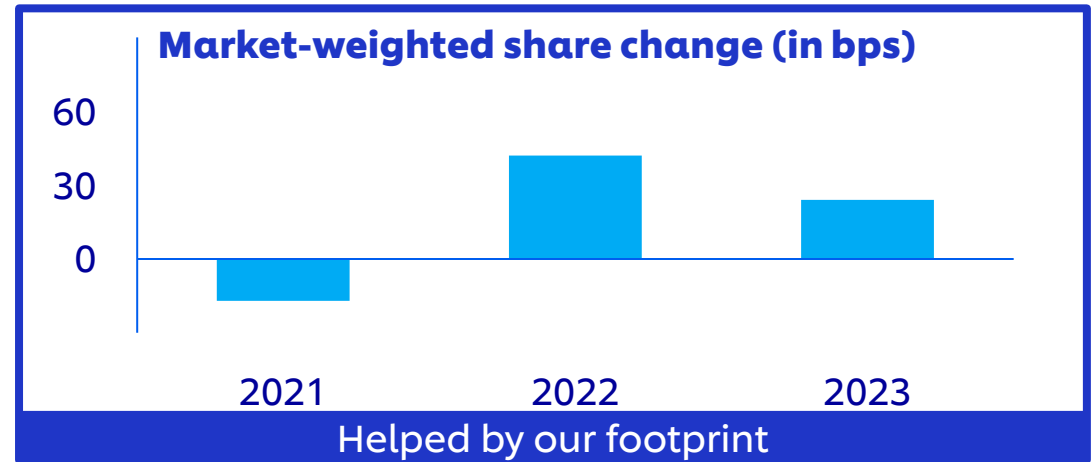


Measuring competitiveness through turnover-weighted market share

Unilever FY2023 **7.0%**
USG

Measured business
(UPG capped to 26% in hyper-inflation markets) **~70%**
turnover **6.5%**
USG

Unmeasured business
(E.g. Prestige, UL Food Solutions) **~30%**
turnover **7.9%**
USG



2024 outlook

Growth

- **Underlying sales growth for full year 2024 to be within our multi-year range of 3-5%**
- More balance between volume and price

Margin

- **Modest improvement in UOM for the full year**
- Further Gross Margin expansion

Capital returns

- **Attractive, sustainable dividend**
- **€1.5bn share buyback programme to commence in Q2 2024**



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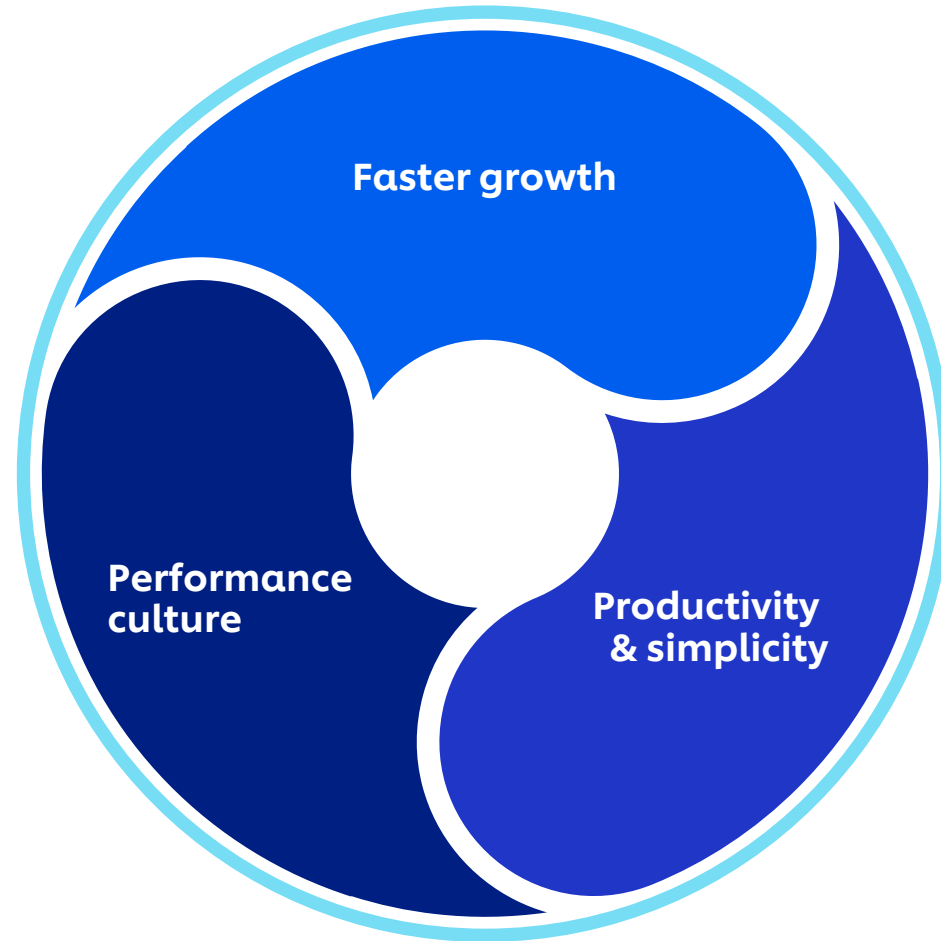
FY 2023 RESULTS

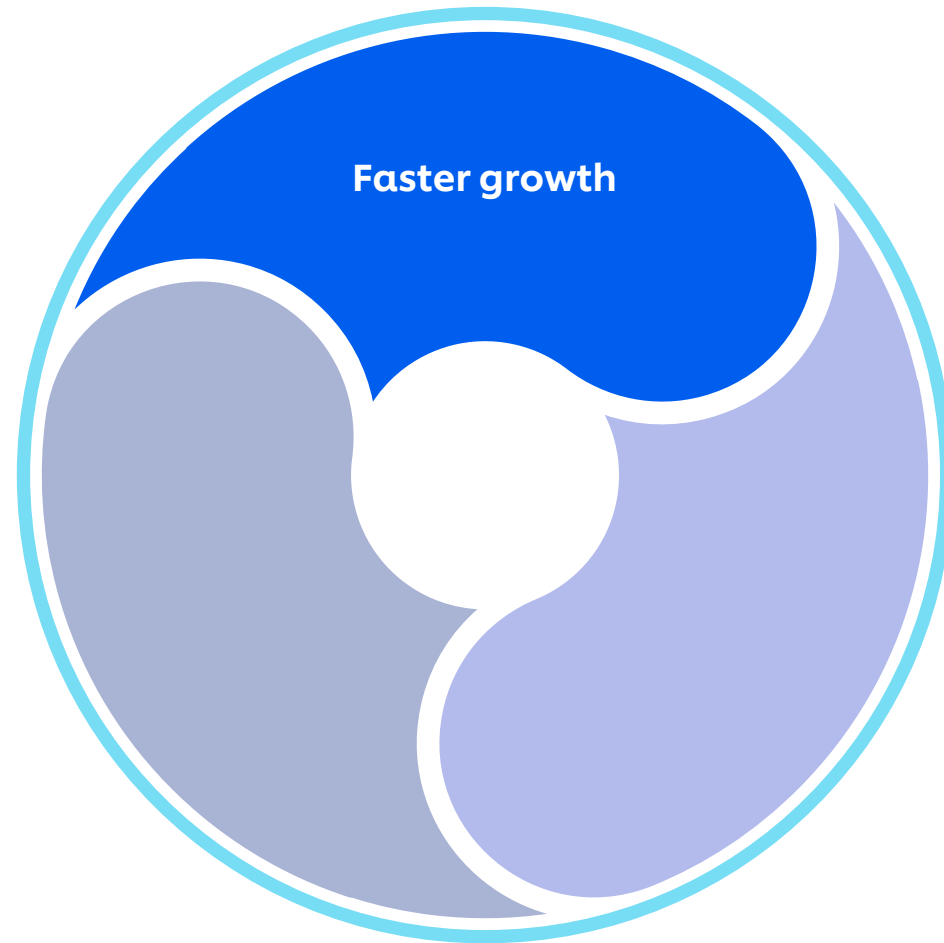
Growth Action Plan update

Hein Schumacher



Implementing Growth Action Plan at pace







Focus first on 30 Power Brands



Progress

- 30 Power Brands now account for ~75% of turnover
- Growth and margin accretive
- Growth led by Rexona, Hellmann's, Sunsilk, Vaseline and Liquid I.V.

2024 priorities

- Prioritising investment behind these brands
- Ensuring brilliant execution
- Accelerating dCommerce growth

Drive unmissable brand superiority



Progress

- Framework in place across all Business Groups
- Validated methodology in 29 strategic cells
- Identifying drivers of superiority with precision

2024 priorities

- Embedding framework for 30 Power Brands
- Baselines and targets set by H2

Scale multi-year innovation

2023 innovation driving incremental turnover



2024 priorities

- Prioritising multi-year scalable programmes
- Growing R&D investment
- Driving market-making and premiumisation
- Brilliant execution fully resourced
- Continued increases in incremental turnover

Leveraging winning technologies across brands, formats and markets

Example: Vaseline Gluta Hya



Multi-year, scalable platforms

- Patented GAP technology boosting skin's antioxidant defence against damage
- Multi-format and benefit technology extended to new product ranges
- Geographical expansion:
 - Launched in Southeast Asia and Indonesia in 2021
 - Rolled-out to India and Arabia in 2023
 - Further expansion in 2024

Leveraging winning technologies across brands, formats and markets

Example: multi-brand 72h Deodorant

Multi-year, scalable platforms



- Patented, next-generation anti-perspirant technology
- 72h technology scaled across our 3 largest Deodorant brands
- Geographical/brand expansion:
 - Rexona 72h launched in 2022
 - Rolled out to markets across Europe and the Americas
 - Dove and Axe 72h launched in 2023
 - 72h protection now available in over 40 markets

Leveraging winning technologies across brands, formats and markets

Example: Hellmann's Plant Based & Flavoured Mayo



Multi-year, scalable platforms

- Differentiated superior technology using plant-based emulsions and flavour solutions
- Bigger activations in key markets:
 - Super Bowl campaign in the US
 - NBA campaign in Brazil
- Geographical expansion:
 - Plant-based mayo now in 34 markets
 - Flavoured mayo now in 24 markets
 - Hellmann's launched as a premium brand in 18 new markets in past 5 years



Focus on net productivity

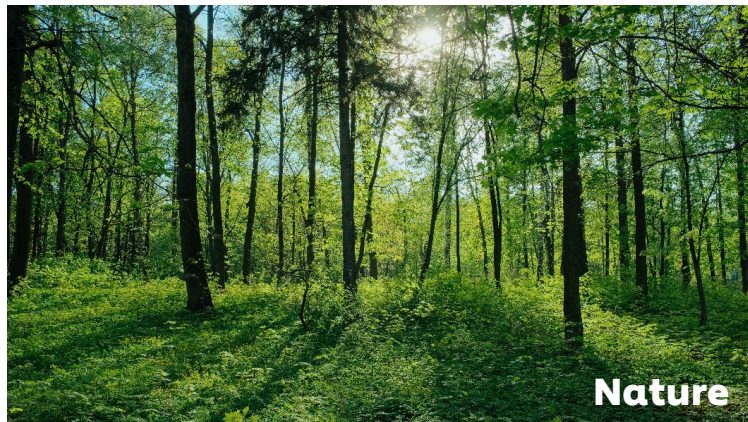
Progress

- Organisation geared to focus on net productivity
- Business Group specific implementation plans
- Complexity reduction – reduced SKUs, materials and suppliers
- Cost per tonne plateauing in H2
- Integrated operations delivered working capital improvements in 2023

2024 priorities

- Network optimization
- Vertical integration in key materials
- Further complexity reduction
- Cost per tonne improvements
- 50% of capex to be allocated to productivity initiatives
- Continued improvement in working capital

Focus sustainability commitments





A renewed team leading the change



Hein Schumacher
Chief Executive Officer



Fernando Fernandez
Chief Financial Officer



Esi Eggleston Bracey
Chief Growth and Marketing Officer



Eduardo Campanella
Business Group President
Home Care



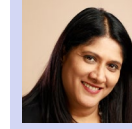
Reginaldo Ecclissato
Chief Business Operations and
Supply Chain Officer



Fabian Garcia
Business Group President
Personal Care



Rohit Jawa
President Unilever South Asia and
CEO Hindustan Unilever



Priya Nair
Business Group President
Beauty & Wellbeing



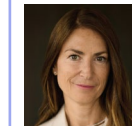
Mairéad Nayager
Chief Human Resources Officer



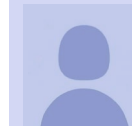
Richard Slater
Chief Research & Development Officer



Peter ter Kulve
Business Group President
Ice Cream



Maria Varsellona
Chief Legal Officer and Group Secretary



To be appointed
Business Group President
Nutrition

Drive and reward outperformance

Our incentive framework

1 Proposed Directors' Remuneration Policy

2 Business Group drives bonus

3 In-year performance drives reward

2024 priorities

- More closely aligned with shareholder interests
- Proposal published, for vote at 2024 AGM

- Senior leadership incentives: 75% Business Group – 25% Unilever
- All other employees' incentives: 100% Business Group aligned

- New, more stringent goal setting process
- Replaced long-term share plan with restricted stock awards for 15,000 lower and middle managers
- Based on individual's in-year delivery against stretching targets

Greater line of sight and more differentiation in reward



Moving with speed and urgency to transform Unilever

Focusing on fewer things, done better, with greater impact

Benefits of the Growth Action Plan will build throughout the year

To realise a consistent step up in performance, starting in 2024



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FY 2023 RESULTS

Q&A





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FY 2023 RESULTS

Appendix





Other financial guidance for 2024

- Increased absolute Brand & Marketing Investment and R&D spend
- Capex around 3% of turnover
- Restructuring around 1% of turnover
- At current rates, expected currency impact* of around (2)% on turnover and around (5)% on underlying EPS for FY
- Net finance costs 2.5% to 3% on average net debt
- Underlying effective tax rate around 25%
- Net debt around 2x net debt / underlying EBITDA

*exchange rates plus extreme price growth above 26% in hyperinflationary markets